

MONROE COUNTY GENERAL HEALTH DISTRICT

MONROE COUNTY

REGULAR AUDIT

FOR THE YEARS ENDED DECEMBER 31, 2023 AND 2022



OHIO AUDITOR OF STATE
KEITH FABER



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Columbus, Ohio 43215
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Board of Health
Monroe County General Health District
118 Home Avenue
Woodsfield, Ohio 43793

We have reviewed the *Independent Auditor's Report* of the Monroe County General Health District, Monroe County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2022 through December 31, 2023. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Monroe County General Health District is responsible for compliance with these laws and regulations.

A handwritten signature in black ink that reads "Keith Faber".

Keith Faber
Auditor of State
Columbus, Ohio

July 08, 2024

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**MONROE COUNTY GENERAL HEALTH DISTRICT
MONROE COUNTY**

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INDEPENDENT AUDITOR'S REPORT

Monroe County General Health District
Monroe County
118 Home Avenue
Woodsfield, Ohio 43793

To the Board of Health:

Report on the Audit of the Financial Statements

Unmodified and Adverse Opinions

We have audited the financial statements of the Monroe County General Health District, Monroe County, Ohio (the District), which comprise the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the cash balances, receipts and disbursements for each governmental fund type as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, in accordance with the financial reporting provisions which Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit, described in Note 2.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the *Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles* section of our report, the accompanying financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of December 31, 2023 and 2022, or the changes in financial position, thereof for the years then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 2 of the financial statements, the financial statements are prepared by the District on the basis of the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C), which is an accounting basis other than accounting principles generally accepted in the United States of America (GAAP), to satisfy these requirements. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2024, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Charles E. Harris & Associates, Inc.

June 14, 2024

**MONROE COUNTY GENERAL HEALTH DISTRICT
MONROE COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2023**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Property Taxes-Levy	\$ 530,281	\$ -	\$ 530,281
Charges for Services	29,274	-	29,274
Fines, Licenses and Permits	1,677	48,927	50,604
Intergovernmental:			
Grants Federal	-	331,236	331,236
State Funding BCMH/MCH	-	41,720	41,720
Medicaid/Medicaid Admin Claiming	15,708	4,565	20,273
State Subsidy	2,449	-	2,449
Delta Dental Grant	2,000	-	2,000
Miscellaneous	945	597	1,542
Total Cash Receipts	<u>582,334</u>	<u>427,045</u>	<u>1,009,379</u>
Cash Disbursements			
Current:			
Health:			
Salaries	248,726	298,823	547,549
Supplies	13,529	-	13,529
Supplies Delta Dental	3,336	-	3,336
Contracts - Services	4,650	6,400	11,050
Travel	2,610	8,952	11,562
Remittance to State	9,446	5,586	15,032
Medicare	3,508	4,233	7,741
OPERS	32,593	42,231	74,824
Worker's Comp	1,785	1,926	3,711
Other Expenses	26,356	154,802	181,158
Medical Insurance	55,035	18,478	73,513
FICA	278	-	278
Total Cash Disbursements	<u>401,852</u>	<u>541,431</u>	<u>943,283</u>
Total Cash Receipts Over/(Under) Cash Disbursements	<u>180,482</u>	<u>(114,386)</u>	<u>66,096</u>
Other Financing Receipts (Disbursements)			
Advances In	34,633	7,900	42,533
Advances Out	(7,900)	(34,633)	(42,533)
Transfers In	-	20,000	20,000
Transfer Out	(20,000)	-	(20,000)
Total Other Financing Receipts (Disbursements)	<u>6,733</u>	<u>(6,733)</u>	<u>-</u>
Excess of Cash Receipts and Other Financing Receipts Under Cash Disbursements and Other Financing Disbursements	<u>187,215</u>	<u>(121,119)</u>	<u>66,096</u>
Fund Cash Balances, January 1	<u>721,014</u>	<u>328,307</u>	<u>1,049,321</u>
Fund Cash Balances, December 31	<u>\$ 908,229</u>	<u>\$ 207,188</u>	<u>\$ 1,115,417</u>

The notes to the financial statements are an integral part of this statement.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Monroe County General Health District, Monroe County, (the District) as a body corporate and politic. A five-member Board and a Health Commissioner govern the District. These members are appointed by the Health District Advisory Council which is made up of the chairman of each township within Monroe County, the mayor of each Village within Monroe County, and the chairman of the Monroe County Commissioners. The District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services and issues health-related licenses and permits.

The District's management believes these financial statements present all activities for which the District is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types organized on a fund type basis.

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

General Fund The general fund accounts for and reports all financial resources not accounted for and reported in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Fund:

Women, Infants, and Children (WIC) Fund This is a Federal grant fund accounts for the Special Supplemental Nutrition Program.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The District recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2023 budgetary activity appears in Note 3.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Property, Plant, and Equipment

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed The Board can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2023, follows:

2023 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 577,800	\$ 582,334	\$ 4,534
Special Revenue	513,573	447,045	(66,528)

2023 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 549,197	\$ 423,624	\$ 125,573
Special Revenue	715,729	542,231	173,498

Note 4 – Deposits

As required by the Ohio Revised Code, the Monroe County Treasurer is custodian for the District’s deposits. The County’s deposit and investment pool holds the District’s assets, valued at the Treasurer’s reported carrying amount. Deposits and investment disclosures for the County as a whole can be obtained from the County. The District’s carrying amount of cash on deposit with the County as December 31, 2023, was \$1,115,417. The Monroe County Treasurer’s Office is located at 101 N. Main Street, Woodsfield, Ohio 43793.

Note 5 – Intergovernmental Funding and Property Taxes

Intergovernmental Funding

The County apportions the excess of the District’s appropriations over other estimated receipts among the townships and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the District. The financial statements present these amounts as intergovernmental receipts.

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the District is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include credits and/or deduction amounts the State pays as Other Intergovernmental Receipts. Payments are due to the County by March 10th. If the property owner elects to pay semiannually, the first half is due March 10th. The second half payment is due the following July 20th.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 5 – Intergovernmental Funding and Property Taxes (Continued)

Property Taxes (Continued)

Public utilities are also taxed on personal and real property, and for billing, collecting, and distributing all property taxes on behalf of the District. The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

Note 6 – Advance and Transfers

Advances

During 2023 the District had the following advances:

Fund Name	Advance Out	Advance In
General Fund	\$ 7,900	\$ 34,633
COVID19 Vaccination Fund	20,000	-
Tobacco Fund	-	7,900
COVID19 Enhanced Operations	14,633	-
Total	\$ 42,533	\$ 42,533

There is an advance in the amount of \$7,900 payable from the Tobacco Fund and due to the General Fund, outstanding at the end of the year. Advances outstanding from prior years for \$20,000 due from Public Health Workforce and \$5,367 Enhanced Operations were made into operating transfers by Board Resolution.

Transfers

There were operating transfers in the amount of \$20,000 from the General Fund to the Public Health Workforce Fund, Tobacco Fund, and Get Vaccinated Fund of \$6,000, \$7,000, \$7,000, respectively.

Note 7 – Risk Management

Workers' Compensation coverage is provided by the State of Ohio. The District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The District is a part of Monroe County's commercial insurance coverage. The District is insured for the following risks:

- Comprehensive property and general liability; and
- Errors and omissions.

Settlement amounts did not exceed insurance coverage for the past three fiscal years. There was no significant reduction in coverage from prior years.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 8 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

The District’s employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the District contributed an amount equaling 14 percent of participants’ gross salaries. The District has paid all contributions required through December 31, 2023.

Note 9 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan. OPERS offers a health reimbursement arrangement (HRA) allowance to benefit recipients meeting certain age and service credit requirements. The HRA is an account funded by OPERS that provides tax-free reimbursement for qualified medical expenses such as monthly post-tax insurance premiums, deductibles, co-insurance, and co-pays incurred by eligible benefit recipients and their dependents. For calendar year 2023, the portion of OPERS employer contributions allocated to health care was 0 percent for members in the traditional pension plan and 2 percent for members in the combined plan. For 2023, the portion of employer contributions OPERS allocated to health care for members in the member-directed plan was 4.0 percent; however, a portion of the health care rate was funded with reserves.

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 – Fund Balances

Included in fund balance encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	\$ 1,772	\$ 800	\$ 2,572
Total	\$ 1,772	\$ 800	\$ 2,572

The fund balance of special revenue funds is either restricted or committed. These restricted or committed amounts in the special revenue funds include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 12 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2023, the District received COVID-19 funding. The District will continue to spend available COVID-19 funding consistent with the applicable program guidelines

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2023

Note 13 – Grants Passed Through the Ohio Department of Health

The District had the following grants passed through Ohio Department of Health at December, 31, 2023:

	Federal AL Number	Grant Number	Cash Reimbursements
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Ohio Department of Health</i>			
WIC Special Supplemental Nutrition Program from Women, Infants, and Children	10.557	05610011WA1623	\$ 101,222
		05610011WA1724	13,737
COVID19 Vaccination	93.268	05610012CN0122	5,218
Public Health Emergency Preparedness (PHEP)	93.069	05610012PH1423	38,512
		05610012PH1524	40,300
COVID19 Enhanced Operations	93.323	05610012EO0222	12,695
Public Health Workforce	93.354	05610012WF0122	96,046
Tobacco Use, Prevention, and Cessation	N/A	05610014TU0123	21,150
	N/A	05610014TU0124	7,950
<i>Total Passed Through the Ohio Department of Health</i>			<u>\$ 336,830</u>

**MONROE COUNTY GENERAL HEALTH DISTRICT
MONROE COUNTY
COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND
CHANGES IN FUND BALANCES (CASH BASIS)
ALL GOVERNMENTAL FUND TYPES
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<u>Governmental Fund Types</u>		<u>Totals (Memorandum Only)</u>
	<u>General</u>	<u>Special Revenue</u>	
Cash Receipts:			
Property Taxes-Levy	\$ 521,159	\$ -	\$ 521,159
Charges for Services	25,643	-	25,643
Fines, Licenses and Permits	-	48,580	48,580
Intergovernmental:			
Grants Federal	-	355,126	355,126
State Funding BCMH/MCH	3,204	13,680	16,884
Medicaid/Medicaid Admin Claiming	23,290	4,779	28,069
State Subsidy	2,450	-	2,450
Miscellaneous	3,560	8,745	12,305
	<u>579,306</u>	<u>430,910</u>	<u>1,010,216</u>
Total Cash Receipts			
Cash Disbursements			
Current:			
Health:			
Salaries	252,278	309,787	562,065
Supplies	9,029	162	9,191
Contracts - Services	14,100	6,400	20,500
Travel	2,089	6,972	9,061
Remittance to State	10,844	5,332	16,176
Medicare	3,535	4,396	7,931
OPERS	34,178	44,936	79,114
Worker's Comp	1,964	2,298	4,262
Other Expenses	20,716	50,837	71,553
Medical Insurance	57,654	20,172	77,826
FICA	232	-	232
	<u>406,619</u>	<u>451,292</u>	<u>857,911</u>
Total Cash Disbursements			
Total Cash Receipts Over/(Under) Cash Disbursements	<u>172,687</u>	<u>(20,382)</u>	<u>152,305</u>
Other Financing Receipts (Disbursements)			
Advances In	-	20,000	20,000
Advances Out	(20,000)	-	(20,000)
Transfers In	-	29,000	29,000
Transfer Out	(29,000)	-	(29,000)
	<u>(49,000)</u>	<u>49,000</u>	<u>-</u>
Total Other Financing Receipts (Disbursements)			
Excess of Cash Receipts and Other Financing Receipts Under Cash Disbursements and Other Financing Disbursements	123,687	28,618	152,305
Fund Cash Balances, January 1	<u>597,327</u>	<u>299,689</u>	<u>897,016</u>
Fund Cash Balances, December 31	<u>\$ 721,014</u>	<u>\$ 328,307</u>	<u>\$ 1,049,321</u>

The notes to the financial statements are an integral part of this statement.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 1 – Reporting Entity

The constitution and laws of the State of Ohio establish the rights and privileges of the Monroe County General Health District, Monroe County, (the District) as a body corporate and politic. A five-member Board and a Health Commissioner govern the District. These members are appointed by the Health District Advisory Council which is made up of the chairman of each township within Monroe County, the mayor of each Village within Monroe County, and the chairman of the Monroe County Commissioners. The District's services include communicable disease investigations, immunization clinics, inspections, public health nursing services and issues health-related licenses and permits.

The District's management believes these financial statements present all activities for which the District is financially accountable.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The District's financial statements consist of a combined statement of receipts, disbursements and changes in fund balances (regulatory cash basis) for all governmental fund types organized on a fund type basis.

Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The funds of the District are presented below:

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Special Revenue Funds These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The District had the following significant Special Revenue Fund:

Women, Infants, and Children (WIC) Fund This is a Federal grant fund accounts for the Special Supplemental Nutrition Program.

Basis of Accounting

These financial statements follow the accounting basis permitted by the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C). This basis is similar to the cash receipts and disbursements accounting basis. The Board recognizes receipts when received in cash rather than when earned, and recognizes disbursements when paid rather than when a liability is incurred. Budgetary presentations report budgetary expenditures when a commitment is made (i.e., when an encumbrance is approved).

These statements include adequate disclosure of material matters, as the financial reporting provisions of Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03 (C) permit.

Budgetary Process

Appropriations Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund, function, object level of control, and appropriations may not exceed estimated resources. The District Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

Estimated Resources Estimated resources include estimates of cash to be received (budgeted receipts) plus unencumbered cash as of January 1. The County Budget Commission must approve estimated resources.

Encumbrances The Ohio Revised Code requires the District to reserve (encumber) appropriations when individual commitments are made. Encumbrances outstanding at year end are carried over, and need not be reappropriated.

A summary of 2022 budgetary activity appears in Note 3.

Accumulated Leave

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused leave. The financial statements do not include a liability for unpaid leave.

Property, Plant, and Equipment

The District records disbursements for acquisitions of property, plant, and equipment when paid. The accompanying financial statements do not report these items as assets.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the District must observe constraints imposed upon the use of its governmental-fund resources. The classifications are as follows:

Nonspendable The District classifies assets as *nonspendable* when legally or contractually required to maintain the amounts intact.

Restricted Fund balance is *restricted* when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or is imposed by law through constitutional provisions.

Committed The Board can *commit* amounts via formal action (resolution). The District must adhere to these commitments unless the Board amends the resolution. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed to satisfy contractual requirements.

Assigned Assigned fund balances are intended for specific purposes but do not meet the criteria to be classified as restricted or committed. For regulatory purposes, assigned fund balance in the general fund is limited to encumbrances outstanding at year end.

Unassigned Unassigned fund balance is the residual classification for the general fund and includes amounts not included in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance.

The District applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

Fund Balance (Continued)

For regulatory purposes, limited disclosure related to fund balance is included in Note 11.

Note 3 – Budgetary Activity

Budgetary activity for the year ending December 31, 2022, follows:

2022 Budgeted vs. Actual Receipts			
Fund Type	Budgeted Receipts	Actual Receipts	Variance
General	\$ 575,848	\$ 579,306	\$ 3,458
Special Revenue	518,463	459,910	(58,553)

2022 Budgeted vs. Actual Budgetary Basis Disbursements			
Fund Type	Appropriation Authority	Budgetary Disbursements	Variance
General	\$ 584,831	\$ 438,294	\$ 146,537
Special Revenue	650,763	453,766	196,997

Note 4 – Deposits

As required by the Ohio Revised Code, the Monroe County Treasurer is custodian for the District's deposits. The County's deposit and investment pool holds the District's assets, valued at the Treasurer's reported carrying amount. Deposits and investment disclosures for the County as a whole can be obtained from the County. The District's carrying amount of cash on deposit with the County as December 31, 2022, was \$1,049,321. The Monroe County Treasurer's Office is located at 1010 N. Main Street, Woodsfield, Ohio 45769.

Note 5 – Intergovernmental Funding and Property Taxes

Intergovernmental Funding

The County apportions the excess of the District's appropriations over other estimated receipts among the townships and municipalities composing the District, based on their taxable property valuations. The County withholds the apportioned excess from property tax settlements and distributes it to the District. The financial statements present these amounts as intergovernmental receipts.

Property Taxes

Real property taxes become a lien on January 1 preceding the October 1 date for which the taxing authority of the subdivision to whose jurisdiction the District is subject adopts rates. The State Department of Taxation, Division of Tax Equalization, adjusts these rates for inflation. Property taxes are also reduced for applicable non-business, owner occupancy, and homestead exemption credits and/or homestead and rollback deductions. The financial statements include credits and/or deduction amounts the State pays as Other Intergovernmental Receipts. Payments are due to the County by March 10th. If the property owner elects to pay semiannually, the first half is due March 10th. The second half payment is due the following July 20th.

Public utilities are also taxed on personal and real property, and for billing, collecting, and distributing all property taxes on behalf of the District. The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the District.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 6 – Advance and Transfers

Advances

During 2022 the District had the following advances:

Fund Name	Advance Out	Advance In
General Fund	\$ 20,000	\$ -
COVID19 Vaccination Fund	-	20,000
Total	\$ 20,000	\$ 20,000

There are outstanding advances in the amount of \$60,000 at the end of the year. The amounts are owed to the General Fund and \$20,000 each from the Enhanced Operations (2021), COVID 19 Vaccine Fund (2022), and Public Health Workforce (2021).

Transfers

There were operating transfers in the amount of \$29,000 from the General Fund to the Accreditation Fund, Tobacco Fund, and Get Vaccinated Fund in the amounts of \$19,000, \$5,000, \$5,000, respectively.

Note 7 – Risk Management

Workers’ Compensation coverage is provided by the State of Ohio. The District pays the State Workers’ Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

The District is a part of Monroe County’s commercial insurance coverage. The District is insured for the following risks:

- Comprehensive property and general liability; and
- Errors and omissions.

Settlement amounts did not exceed insurance coverage for the past three fiscal years. There was no significant reduction in coverage from prior years.

Note 8 – Defined Benefit Pension Plan

Ohio Public Employees Retirement System

The District’s employees belong to the Ohio Public Employees Retirement System (OPERS). OPERS is a cost-sharing, multiple-employer plan. The Ohio Revised Code prescribes this plan’s benefits, which include postretirement healthcare and survivor and disability benefits.

The Ohio Revised Code also prescribes contribution rates. OPERS members contributed 10 percent of their gross salaries and the District contributed an amount equaling 14 percent of participants’ gross salaries. The District has paid all contributions required through December 31, 2022.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 9 – Postemployment Benefits

OPERS offers a cost-sharing, multiple-employer defined benefit postemployment plan, that includes multiple health care plans including medical coverage, prescription drug coverage, and deposits to a Health Reimbursement Arrangement and Medicare Part B premium reimbursements, to qualifying benefit recipients. The portion of employer contributions allocated to health care for members in the traditional pension plan and combined plan was 0 percent during calendar year 2022. The portion of employer contributions allocated to health care for members in the member-directed plan was 4.0 percent during calendar year 2022.

Effective January 1, 2022, OPERS discontinued the group plans currently offered to non-Medicare retirees and re-employed retirees. Instead, eligible non-Medicare retirees will select an individual medical plan. OPERS will provide a subsidy or allowance via an HRA allowance to those retirees who meet health care eligibility requirements. Retirees will be able to seek reimbursement for plan premiums and other qualified medical expenses.

Note 10 – Contingent Liabilities

Amounts grantor agencies pay to the District are subject to audit and adjustment by the grantor. The grantor may require refunding any disallowed costs. Management cannot presently determine amounts grantors may disallow. However, based on prior experience, management believes any refunds would be immaterial.

Note 11 – Fund Balances

Included in fund balance encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At year end the balances of these amounts were as follows:

Fund Balances	General	Special Revenue	Total
Outstanding Encumbrances	\$ 2,675	\$ 2,474	\$ 5,149
Total	\$ 2,675	\$ 2,474	\$ 5,149

The fund balance of special revenue funds is either restricted or committed. These restricted or committed amounts in the special revenue funds include the outstanding encumbrances. In the general fund, outstanding encumbrances are considered assigned.

Note 12 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio’s state of emergency ended in June, 2021 the national state of emergency ended April 2023. During 2022, the District received COVID-19 funding. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the District. The impact on the District’s future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

Monroe County General Health District
Monroe County
Notes to the Financial Statements
For the Year Ended December 31, 2022

Note 13 – Grants Passed Through the Ohio Department of Health

The District had the following grants passed through Ohio Department of Health at December 31, 2022:

	Federal AL Number	Grant Number	Cash Reimbursements
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
<i>Passed Through Ohio Department of Health</i>			
WIC Special Supplemental Nutrition Program from Women, Infants, and Children	10.557	05610011WA1522	\$ 99,228
		05610011WA1623	13,724
COVID19 Vaccination	93.268	05610012CN0122	20,060
Public Health Emergency Preparedness (PHEP)	93.069	05610012PH1221	8,820
		05610012PH1322	39,858
		05610012PH1423	26,488
COVID19 Enhanced Operations	93.323	05610012EO0121	35,463
	93.323	05610012EO0222	9,187
Public Health Workforce	93.354	05610012WF0122	75,618
Tobacco Use, Prevention, and Cessation	N/A	05610014TU0123	8,250
<i>Total Passed Through the Ohio Department of Health</i>			<u>\$ 327,877</u>

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY GOVERNMENT AUDITING STANDARDS**

Monroe County General Health District
Monroe County
118 Home Avenue
Woodsfield, Ohio 43793

To the Board of Health:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the cash balances, receipts, and disbursements for each governmental fund type of the Monroe County General Health District, Monroe County, (the District) as of and for the years ended December 31, 2023 and 2022, and the related notes to the financial statements, and have issued our report thereon dated June 14, 2024, wherein we noted the District followed financial reporting provisions Ohio Revised Code Section 117.38 and Ohio Administrative Code Section 117-2-03(C) permit.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

However, we noted a certain other matter not requiring inclusion in this report that we reported to the District's management in a separate letter dated June 14, 2024.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Charles E. Harris & Associates, Inc.

June 14, 2024

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OHIO AUDITOR OF STATE KEITH FABER



MONROE COUNTY GENERAL HEALTH DISTRICT

MONROE COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



Certified for Release 7/18/2024

65 East State Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at
www.ohioauditor.gov